Military Base Planning Council Lieutenant Governor Rebecca S. Skillman, Chair John Clark, Director of the Office of Energy & Defense Development

Minutes
December 20, 2006
10:00 a.m.
NSA Crane, Club Lakeview
Crane, IN

Members Present:

Donald Bowling, Mayor, City of Loogootee
Lonnie Hawkins, Martin County Council
Stephanie Yager, Brown County Commission
Joyce Poling, Monroe County Commissioner, President
John Waterman, State Senator, District 39
Bruce Borders, State Representative, District 45
David Crooks, State Representative, District 63
Eric Koch, State Representative, District 65
John Clark, Office of Energy and Defense Development

Proxies Present for Members:

Brigadier General Clif Tooley, Indiana National Guard present for Major General Martin Umbarger

Tom Linson, Indiana Department of Environmental Management present for Tom Easterly

Steve Smith, Indiana Department of Transportation present for Karl Browning

Others Present:

Captain Mark Welsh, NSWC Crane

Jason Lovell, Office of Energy & Defense Development

Gene McCracken, Lawrence County Economic Growth Council

Ron Arnold, Daviess County Economic Development Corporation

Jerry Ott, Martin County Economic Development

Gary Shelley, Bloomington Economic Development Corporation

Judy Gray, Orange County Economic Development Partnership

Charlie Nemfakos, ESOP Advisors

Roger Neece, ESOP Advisors

Thayr Richey, SDG

Jim Schoenberger, Crane Technologies Inc.

Mike Gentile, Crane Technologies Inc.

Dave Reece, Crane Technologies Inc.

Nyle Riegle, Crane Technologies Inc.

Larry Nash, Crane Technologies Inc.

Eric Burch, Office of Energy & Defense Development
Lynn Boese, Department of Defense, Office of Economic Adjustment
Bill Austin, Brown County Commission
Jeff Quyle, Hoosier Energy
Vern Tincher, State Representative, House District 46
Don Peters, Nexpointe Strategies
Kurt Luidhardt, Nexpointe Strategies
Mike Foster, NSWC Crane
Chris Jensen, Lt. Governor's Office

Minutes:

Before Lieutenant Governor Skillman called the meeting to order, introductions and remarks were made by Congressmen-elect Baron Hill (District 9) and Brad Ellsworth (District 8) to the council.

The Lt. Governor opened the meeting by providing the background and mission of the Military Base Planning Council.

Expansion of MBPC: Representative Eric Koch reminded council members not only of its makeup and operation, but explained the new expansion of the council into three additional counties including Monroe, Daviess and Orange.

<u>Update on the Office of Energy & Defense Development (OED):</u> Jason Lovell gave a year-end review of the new office. OED has been aggressive in positioning Indiana to supply the military with alternative fuel, particularly for jet fuel. Indiana is hoping that Crane can play a vital role in the development of this project. OED also led 50 business, education and government leaders to Crane on a promotional trip in November of 2006. OED plans to replicate similar trips to other key defense assets such as Camp Atterbury and Muscatatuck Urban Training Center (MUTC), but specifically will grow its interest in directly assisting Hoosier companies do business with U.S. Department of Defense (DOD) and Department of Homeland Security (DHS). In 2006, OED began offering consulting services or technical assistance to defense-related companies and hopes to add programming such as education and networking to its 2007 goals. Lovell also discussed OED's efforts in broadening existing relationships with groups such as the Indiana Defense and Homeland Security Working Group, the Military Base Planning Council, Indiana's congressional delegation and other related agencies at the State of Indiana.

State-wide study of Indiana's defense assets: Lovell briefed the council on OED's State Defense Asset Study, funded by Department of Labor/Base Realignment and Closure assistance. The state has launched a new initiative aimed at helping Hoosier companies to capture a growing share of federal funding, with a special focus on the U.S. Departments of Defense, Homeland Security and NASA. The state is working with the Central Indiana Corporate Partnership (CICP) and a coalition of corporate and university leaders to drive the initiative. Preliminary research from the project shows that in 2005, nearly 1,500 Indiana companies were prime contractors to DOD and the National

Aeronautic and Space Administration (NASA), with contracts valued at \$4.5 billion dollars. As of 2005, Indiana ranked 17th in the US for attracting federal contract dollars. Lovell also encouraged council members to invite defense companies in their communities to visit: www.indianadefensesurvey.com and volunteer information about the nature of business they conduct with DOD, DHS and/or NASA.

Camp Atterbury and Muscatatuck: Brigadier General Clif Tooley introduced the council to the Muscatatuck Urban Training Center (MUTC), as a new partner to the MBPC. General Tooley explained that the MUTC is a consortium of governmental, public and private entities that are pooling their unique capabilities together in order to provide the most realistic training experience possible. This training can be tailored to replicate both foreign and domestic scenarios and is already being used by various civilian and military organizations. Among the many upcoming training exercises scheduled is one particular major event to take place in May of 2007, called Ardent Sentry. Ardent Sentry will role-play a 10KT improvised nuclear device detonating in a densely populated metro area with Indianapolis serving as the model (Atterbury, MUTC and other sites around the state will also play). This will be a Homeland Defense (not Homeland Security) exercise that has been directed by the White House and DOD will carry out with a budget of \$50M, so there will be a significant economic impact to the area and the State. It is a first-time, full-up, live rehearsal of the entire federal government's response system and is to be a highly visible event.

<u>Crane briefing:</u> Sue Webster presented Crane's various community outreach and support initiatives. Those include numerous charitable contributions such as the Red Cross, Toys for Tots, scholarships; support for local organizations, and school partnership programs. Sue also explained Crane's public program that allows industry and academia the opportunity to utilize the expertise and facilities available on the base.

<u>Crane Diversification Study:</u> ESOP Advisors' Roger Neece and SDG's Thayer Richey provided the council with an update on the Economic Diversification Study of the NSA Crane Area Economy. This effort, funded by the DOD's Office of Economic Adjustment (OEA) to lessen the impact from decreased employment due to BRAC, is a critical step in Crane's post-BRAC future. Specifically, this study seeks to develop a plan or roadmap that regional leaders can use to focus their overall economic strategies. The presentation included a discussion on the strategies that the study will use as well as early employment and workforce data that is serving as the basis for much of the research.

Briefing on Technology Park at West Gate: Jim Schoenberger updated council members on the current status of the certified West Gate at Crane Tech Park. The park, which broke ground in summer of 2006, will be located approximately 2 miles from the SR 231 and the proposed I-69 interchange. Early occupants include the Crane Federal Credit Union and EG&G by early 2007. Finally, Carmel-based Throgmartin-Henke has been chosen as the principal developer for the overall project.

Seeing that there were no comments or concerns from the group, the Lt. Governor concluded the meeting by encouraging council members to engage in post-BRAC

opportunities and initiatives discussed during the meeting, help monitor encroachment in their communities, keep informed on Crane issues, and be advocates for new economic development in the Crane region. She stated that the next MBPC meeting will be held sometime after the completion of session in March 2007. The place and time to be determined.

With no further business, the meeting was adjourned.